



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

June 7, 2019

The Honorable Katie Hobbs
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Re: House Bill 2358 (landlord tenant; partial payment; assistance)

Dear Secretary Hobbs:

Today I signed H.B. 2358.

H.B. 2358 is important for preserving affordable housing options in Arizona. According to national studies, Arizona's current supply of affordable housing can only meet about one-third of the population's needs. The bill encourages landlords to offer affordable housing and to participate in public housing assistance programs. Importantly, it does not disrupt the rent assistance provided by faith-based organizations, community action agency programs, and non-profit agencies to many Arizona citizens.

I remain committed to finding solutions to address the need for more affordable housing in Arizona.

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: The Honorable Karen Fann
The Honorable Rusty Bowers
The Honorable Ben Toma

Conference Engrossed
FILED
KATIE HOBBS
SECRETARY OF STATE

State of Arizona
House of Representatives
Fifty-fourth Legislature
First Regular Session
2019

CHAPTER 289
HOUSE BILL 2358

AN ACT

AMENDING SECTIONS 33-1310 AND 33-1371, ARIZONA REVISED STATUTES; RELATING
TO THE ARIZONA RESIDENTIAL LANDLORD AND TENANT ACT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 33-1310, Arizona Revised Statutes, is amended to read:

33-1310. General definitions

Subject to additional definitions contained in subsequent articles of this chapter ~~which~~ THAT apply to specific articles ~~thereof~~ OF THIS CHAPTER, and unless the context otherwise requires, in this chapter:

1. "Action" includes recoupment, counterclaim, setoff, suit in equity and any other proceeding in which rights are determined, including an action for possession.

2. "Building and housing codes" ~~include~~ INCLUDES any law, ordinance or governmental regulation concerning fitness for habitation, or the construction, maintenance, operation, occupancy, use or appearance of any premises, ~~or~~ dwelling unit.

3. "Delivery of possession" means returning dwelling unit keys to the landlord and vacating the premises.

4. "Dwelling unit" means a structure or the part of a structure that is used as a home, residence, or sleeping place by one person who maintains a household or by two or more persons who maintain a common household. ~~"Dwelling unit" excludes~~ DOES NOT INCLUDE real property used to accommodate a mobile home, unless the mobile home is rented or leased by the landlord.

5. "Good faith" means honesty in fact in the conduct or transaction concerned.

6. "HOUSING ASSISTANCE PAYMENT" MEANS ANY PAYMENT MADE TO THE LANDLORD BY A GOVERNMENT AGENCY, A PUBLIC HOUSING AUTHORITY OR ANY THIRD PARTY ON BEHALF OF A GOVERNMENT AGENCY, A PUBLIC HOUSING AUTHORITY OR ANY FOR-PROFIT ENTITY PURSUANT TO A SEPARATE WRITTEN RENTAL ASSISTANCE OR SUBSIDY CONTRACT BETWEEN THE LANDLORD AND THE GOVERNMENT AGENCY, PUBLIC HOUSING AUTHORITY OR THIRD PARTY ON BEHALF OF A GOVERNMENT AGENCY, PUBLIC HOUSING AUTHORITY OR FOR-PROFIT ENTITY. HOUSING ASSISTANCE PAYMENT DOES NOT INCLUDE ANY PAYMENT MADE BY A FAITH-BASED ORGANIZATION, A COMMUNITY ACTION AGENCY PROGRAM OR A NONPROFIT ENTITY.

~~6.~~ 7. "Landlord" means the owner, lessor or sublessor of the dwelling unit or the building of which it is a part, and it also means a manager of the premises who fails to disclose as required by section 33-1322.

~~7.~~ 8. "Organization" includes a corporation, government, governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest and any other legal or commercial entity ~~which~~ THAT is a landlord, owner, manager or constructive agent pursuant to section 33-1322.

1 ~~8.~~ 9. "Owner" means one or more persons, jointly or severally, in
2 whom is vested all or part of the legal title to property or all or part
3 of the beneficial ownership and a right to present use and enjoyment of
4 the premises. The term includes a mortgagee in possession.

5 ~~9.~~ 10. "Person" means an individual or organization.

6 ~~10.~~ 11. "Premises" means a dwelling unit and the structure of
7 which it is a part and existing facilities and appurtenances therein,
8 including furniture and utilities where applicable, and grounds, areas and
9 existing facilities held out for the use of tenants generally or whose use
10 is promised to the tenant.

11 ~~11.~~ 12. "Rent" means payments to be made to the landlord in full
12 consideration for the rented premises.

13 ~~12.~~ 13. "Rental agreement" means all agreements, written, oral or
14 implied by law, and valid rules and regulations adopted under section
15 33-1342 embodying the terms and conditions concerning the use and
16 occupancy of a dwelling unit and premises.

17 ~~13.~~ 14. "Roomer" means a person occupying a dwelling unit that
18 lacks a major bathroom or kitchen facility, in a structure where one or
19 more major facilities are used in common by occupants of the dwelling unit
20 and other dwelling units. Major facility in the case of a bathroom means
21 toilet, or either a bath or shower, and in the case of a kitchen means
22 refrigerator, stove or sink.

23 ~~14.~~ 15. "Security" means money or property given to assure payment
24 or performance under a rental agreement. ~~"Security"~~ does not include a
25 reasonable charge for redecorating or cleaning.

26 ~~15.~~ 16. "Single family residence" means a structure maintained and
27 used as a single dwelling unit. Notwithstanding that a dwelling unit
28 shares one or more walls with another dwelling unit, it is a single family
29 residence if it has direct access to a street or thoroughfare and ~~shares~~
30 ~~neither~~ DOES NOT SHARE heating facilities, hot water equipment ~~nor~~ OR any
31 other essential facility or service with any other dwelling unit.

32 ~~16.~~ 17. "Tenant" means a person entitled under a rental agreement
33 to occupy a dwelling unit to the exclusion of others.

34 ~~17.~~ 18. "Term of lease" means the initial term or any renewal or
35 extension of the written rental agreement currently in effect not
36 including any wrongful holdover period.

37 Sec. 2. Section 33-1371, Arizona Revised Statutes, is amended to
38 read:

39 33-1371. Acceptance of partial payments; waiver of right to
40 terminate; exception

41 A. A landlord is not required to accept a partial payment of rent
42 or other charges. A landlord accepting a partial payment of rent or other
43 charges retains the right to proceed against a tenant only if the tenant
44 agrees in a contemporaneous writing to the terms and conditions of the
45 partial payment with regard to continuation of the tenancy. The written

1 agreement shall contain a date on which the balance of the rent is
2 due. The landlord may proceed as provided in THIS article ~~4 of this~~
3 ~~chapter~~ and in title 12, chapter 8 against a tenant in breach of this
4 agreement or any other breach of the original rental agreement. If the
5 landlord has provided the tenant with a notice of failure to pay rent as
6 specified in section 33-1368, subsection B ~~prior to~~ BEFORE the completion
7 of the agreement for partial payment, no additional notice under section
8 33-1368, subsection B is required in case of a breach of the partial
9 payment agreement.

10 B. FOR THE PURPOSES OF THIS SECTION, A LANDLORD'S ACCEPTANCE OF A
11 HOUSING ASSISTANCE PAYMENT DOES NOT CONSTITUTE AN ACCEPTANCE OF A PARTIAL
12 PAYMENT OF RENT OR A WAIVER OF A LANDLORD'S RIGHT TO TERMINATE THE RENTAL
13 AGREEMENT FOR ANY BREACH BY THE TENANT.

14 ~~B.~~ C. Except as specified in ~~subsection~~ SUBSECTIONS A AND B of
15 this section, acceptance of rent, or any portion ~~thereof~~ OF RENT, with
16 knowledge of a default by THE tenant or acceptance of performance by the
17 tenant that varied from the terms of the rental agreement or rules or
18 regulations subsequently adopted by the landlord constitutes a waiver of
19 the right to terminate the rental agreement for that breach.

APPROVED BY THE GOVERNOR JUNE 7, 2019.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 7, 2019.

Passed the House February 25, 20 19

by the following vote: 45 Ayes,

15 Nays, 0 Not Voting

R. R. G. 1.
Speaker of the House

☒ Pro Tempore

Jim Drake
Chief Clerk of the House

Passed the Senate April 18, 20 19

by the following vote: 16 Ayes,

13 Nays, 1 Not Voting

Karen Farn
President of the Senate

Susan Arenas
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

_____ day of _____, 20____

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20____

at _____ o'clock _____ M.

Secretary of State

H.B. 2358

HOUSE FINAL PASSAGE
as per Joint Conference

Passed the House May 24, 20 19

by the following vote: 35 Ayes,

25 Nays, 0 Not Voting

[Signature]
Speaker of the House

☒ Pro Tempore

[Signature]
Chief Clerk of the House

SENATE FINAL PASSAGE
as per Joint Conference

Passed the Senate May 24, 20 19

by the following vote: 19 Ayes,

7 Nays, 4 Not Voting

[Signature]
President of the Senate

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

27th day of May, 20 19

at 4:26 o'clock P M.

[Signature]
Secretary to the Governor

Approved this 7th day of

June 2019

at 3:17 o'clock P M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 7 day of June, 20 19

at 6:01 o'clock P M.

[Signature]
Secretary of State

H.B. 2358